



**Director of
Central
Intelligence**

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National Intelligence Daily

**Friday
27 November 1987**

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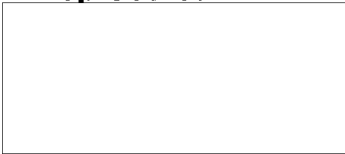
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27 November 1987

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Page Denied

Top Secret



25X1

Contents

Israel: Palestinian Glider Attack 1

Turkey: Election Preview 2



25X1

Indonesia: Student Discontent 4

Bahrain: Shia Activism..... 5

Notes

Iran: Mobilization Efforts,  6

25X1



25X1

Afghanistan-USSR: Soviet Operation in Paktia Province 7



25X1

Colombia: Traffickers Maneuver Against Extradition..... 8

Greece: End to Economic Austerity 8

Malaysia: Press Controls Proposed 9

Vanuatu: Ruling Party Favored in Election 9

In Brief 10

Special Analyses

USSR: Gorbachev on the Defensive 11

Poland: Referendum Politics 13

Eastern Europe-USSR: Seeking Computer Technology 15



Top Secret

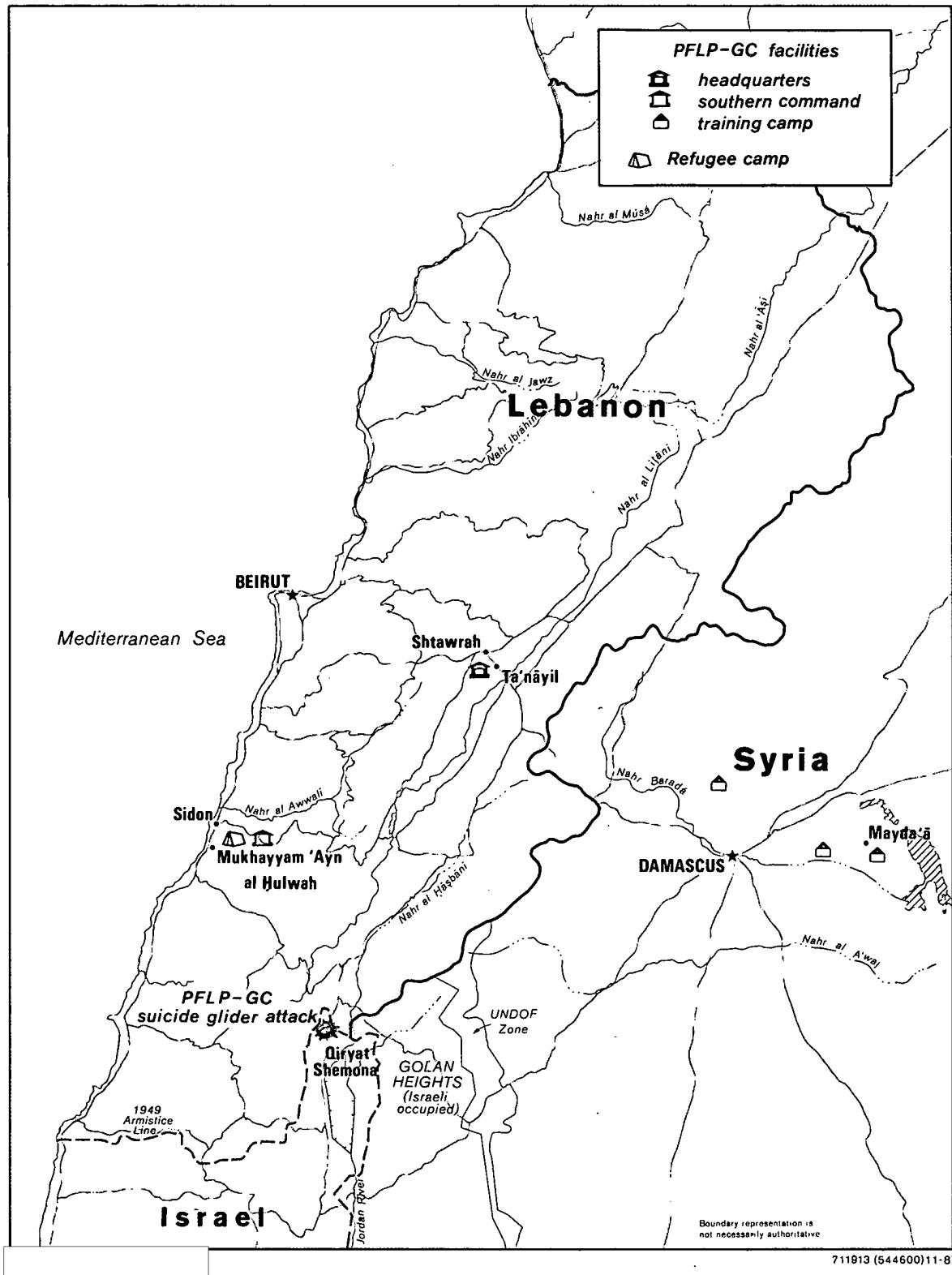


27 November 1987

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27 November 1987

Top Secret

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ISRAEL:**Palestinian Glider Attack**

Israel will hold Syria responsible for Wednesday night's daring suicide hang glider attack, claimed by the pro-Syrian Popular Front for the Liberation of Palestine-General Command, in which six Israeli soldiers were killed and at least seven others were wounded. [REDACTED]

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The PFLP-GC operates several training camps in Syria and Lebanon, and air training takes place at the Mayda'a camp, east of Damascus. Hang gliders were first spotted at Mayda'a in August 1986. [REDACTED] the presence of at least three gliders at Mayda'a as recently as April. [REDACTED]

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In claiming responsibility for the attack, the Damascus-based PFLP-GC said the operation was dedicated to Ariel Sharon, whom they charged with responsibility for an attack more than 30 years ago against the Palestinian village of Qibya in northern Galilee. [REDACTED]

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Comment: The attack almost certainly could not have been carried out without prior Syrian knowledge. The decision by the PFLP-GC, however, to attack the military outpost rather than more vulnerable civilian targets in Qiryat Shemona may reflect Syrian efforts to distinguish between acts of terrorism, which Damascus claims it opposes, and acts of national liberation, which it supports. Given Syrian efforts to distance itself from acts of international terrorism, Damascus is unlikely to sanction attacks against civilian targets by groups with which it is so closely identified. [REDACTED]

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Israeli retaliation most likely will be directed at PFLP-GC locations in Lebanon. The PFLP-GC maintains its Lebanese headquarters at the Tanayil camp, south of Shtawrah, and its southern command operates from the Mukhayyam Ayn al Hulwah refugee camp, near Sidon. Although less likely, Israel may strike Palestinian targets inside Syria, given the dramatic nature of the attack and the number of Israeli casualties. [REDACTED]

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27 November 1987

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Top Secret

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Turkey's Political Parties

Motherland Party (ANAP)— led by Prime Minister Turgut Ozal, ANAP was formed in 1983. A center-right party promoting free market economic reforms, ANAP comprises three principal factions representing parties before the coup: moderate conservatives from the Justice Party, religious conservatives from the National Salvation Party, nationalists from the National Action Party.

Correct Way Party (DYP)— led by former Prime Minister and Justice Party chairman Suleyman Demirel, DYP is Motherland's chief competitor on the center right. It is composed principally of former Justice Party members.

Social Democratic Populist Party (SHP)— led by Erdal Inonu, this party is an amalgam of the Populist Party, which ran in 1983, and the Social Democratic Party, which failed to gain the military's approval to contest that election. A center-left grouping, SHP is made up primarily of adherents of the former Republican Peoples Party (RPP), which was founded by Ataturk and led for more than two decades by Ismet Inonu, Erdal's father.

Democratic Left Party (DLP)— led by former Prime Minister and Republican People's Party chairman Bulent Ecevit. In fact, it was Ecevit who displaced the elder Inonu and gave the Republican People's Party its leftward tilt after 1973. DLP is also a center-left party but has failed to attract many former RPP members, largely because of Ecevit's refusal to relinquish any control over the party's program and policies.

Other Minor Parties— three other parties are contesting this election: **Nationalist Labor Party, Reformist Democracy Party, Prosperity Party**; but none is given a chance of winning the 10 percent of the vote necessary to enter parliament. The most familiar of these is Prosperity, a reincarnation of the Islamic fundamentalist National Salvation Party. It is led by Necmettin Erbakan, who was reinstated with Demirel and Ecevit when the political bans were lifted in September.

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27 November 1987

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TURKEY:**Election Preview**

Prime Minister Ozal's Motherland Party is a heavy favorite to retain its parliamentary majority when Turks vote Sunday in their country's most open election since the military coup in 1980.

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Comment: Ozal will probably keep, and possibly strengthen, his majority in the National Assembly. All recent polls put his party well within reach of the approximately 40 percent of the vote needed to win a majority in Turkey's weighted proportional system. Election laws passed in September and last month work in the government's favor by limiting the parties' access to the media and by creating 46 bonus seats, which are likely to go to Motherland. Indeed, Ozal is so far ahead in the polls that attention has shifted to his health problems and to whether his party will win the two-thirds majority needed to push through constitutional changes Ozal has hinted at.

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Polls now put the center-left Social Democratic Populist Party of Erdal Inonu a distant second, 20 to 30 percentage points behind Motherland. Most observers had expected former Prime Minister Demirel's center-right Correct Way Party to be a strong contender, but the party has had financing difficulties and poor morale and organization. Four other parties, including the Democratic Left Party of former Prime Minister Ecevit, are not expected to gain the 10 percent of the vote necessary to enter parliament.

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There is a small chance that Ozal's party could fall just short of a majority. Polling remains an imprecise science in Turkey, and rural areas—where much of the opposition's strength lies—are undersampled. Moreover, some 2 million disenfranchised voters, whom few expect will support Ozal, regained the eligibility to vote this month.

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Should no party receive a majority, Turkey could again fall into the divisive and ineffective coalition politics that plagued the country before the military intervened in 1980. Indeed, the biggest challenge may be for Turkish voters to prove that the most democratic election in seven years will do more than return the country to the instability of the 1970s.

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INDONESIA:**Student Discontent**

Indonesian students, increasingly restive over stage-managed politics and corruption among senior government officials and within President Soeharto's family, are challenging government prohibitions against campus political activity. [redacted]

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In midyear, students on several campuses demonstrated against tuition increases and the national soccer lottery, which they believe violates Muslim prohibitions on gambling, [redacted]

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[redacted] The US Consulate reports that as many as eight youths were killed last month when students in southern Sulawesi, protesting a requirement to wear motorcycle helmets, clashed with security forces. Security officials in Sumatra headed off a planned sympathy demonstration by students, threatening to suppress it forcibly because of possible antigovernment overtones. [redacted]

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Early this month, student activists staged a rally at the Bandung Institute of Technology after blanketing the campus with banners denouncing Soeharto's family and the military, [redacted]

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Comment: Indonesian youths traditionally have led campaigns against corruption, although in recent years they have been quiescent. The danger for the regime is that student and Muslim concerns will converge. Such a combination could become a potent antigovernment force. [redacted]

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Student restiveness poses no immediate threat to the regime, and security forces can probably contain any local incident. Nevertheless, demonstrations are likely to continue through the period up to Soeharto's pro forma reelection next March and will encourage Jakarta to clamp down further on open opposition. Authorities have prohibited students from organizing political activities on campus since 1979. [redacted]

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BAHRAIN:**Shia Activism**

Shia activism in Bahrain is growing; although there have been no serious disturbances, the possibility of sporadic political violence is increasing. [redacted]

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[redacted] over the past two months local Shias have used every religious holiday to hold political gatherings. These activities, which have been drawing large crowds, are generally accompanied by inflammatory speeches against the ruling Al Khalifa family and the US naval presence in Bahrain. On several occasions young Shias have worn red "martyr" headbands and carried Iranian flags. [redacted]

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[redacted] the increased Shia activity is a product of Iran's slanted media coverage of events in Bahrain, its efforts to reorganize the Islamic Front for the Liberation of Bahrain, and provocative speeches by Bahraini leaders of the Islamic Call Party. The government's reluctance to crack down on subversive activities to avoid provoking tensions and antigovernment activity may also be encouraging the Shias. [redacted]

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Comment: The majority of Bahrain's Shias, who make up 70 percent of the population, continue to support the ruling family. Many have been in Bahrain for generations and have acquired a stake in the country's political and economic structure. Nonetheless, groups such as the Islamic Front for the Liberation of Bahrain and the Islamic Call Party are recovering from setbacks suffered in recent years and appear to be gaining support. Eventually they may stage political demonstrations or even terrorist attacks against a local or US target.

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The odds are good that Bahrain's security service, which is well trained [redacted] will be able to control such activity. The ruling family would be prepared to implement tougher security measures, including cracking down on local Shia leaders, if Shia antigovernment activity risked upsetting the political balance on the island. [redacted]

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IRAN: Mobilization Efforts,

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Iran began its "Mobilization Week" yesterday and is planning rallies and maneuvers involving volunteers in some 25 cities. The activities will culminate in major demonstrations in Tehran and Qom on Wednesday and the dispatch of volunteers throughout the country to the front. Iranian media claim that 600,000 volunteers will be involved in the exercises.

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Comment: Although the number of volunteers involved are probably exaggerated, Tehran is likely to raise 100,000 to 150,000 troops as reinforcements for a major ground offensive this winter. Iran is continuing other preparations for an offensive, and it will take three to six weeks for the new troops to be trained and moved to the front.

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AFGHANISTAN-USSR: Soviet Operation in Paktia Province

Soviet and Afghan forces are conducting a large combat operation in Paktia Province to counter insurgent activity around Khowst and Gardeyz. The US Embassy in Kabul reports two Soviet armored columns of approximately 700 vehicles moved south toward Gardeyz early this week.

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Comment: The situation for the Afghan regime's forces in Paktia has gotten worse during the past two weeks, especially near Khowst. Insurgent forces have repeatedly harassed the Afghan units in the area, overrun several posts, and may be preparing to conduct heavy attacks on the Afghan infantry division headquartered at Khowst. This increased insurgent activity has apparently prompted Soviet forces to react. They may be preparing to reopen the Gardeyz to Khowst road—which has been closed for several years—in an effort to resupply the garrison at Khowst.

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COLOMBIA: Traffickers Maneuver Against Extradition

Colombian drug traffickers are positioning themselves to forestall kingpin Jorge Ochoa's extradition to the US. Despite a government announcement—intended to reduce the likelihood of violence—that Bogota will not extradite Ochoa until he serves a jail term for customs violations, concerned traffickers have threatened a Colombian journalist and the US Consulate in Barranquilla, prompting a temporary closing of the Consulate. [REDACTED] President Barco on Monday ordered a number of steps to upgrade domestic security. [REDACTED]

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Comment: Barco's attempt to extradite Ochoa is constrained by the Colombian legal system, which voided the 1979 extradition treaty with the US and failed to establish a precedent for extradition under other international agreements. Any attempt to extradite Ochoa using extralegal measures will leave the government open to criminal charges and public criticism. Meanwhile, the slow pace of the decisionmaking process is buying the traffickers time to work for Ochoa's release and to plan retaliatory action against Colombian officials and US interests in Colombia if he is extradited. [REDACTED]

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GREECE: End to Economic Austerity

The Greek Government ended its two-year austerity program on Wednesday by presenting a budget to Parliament that calls for higher spending across the board and reduced value-added and personal income taxes. Additional revenue from a special tax on corporate profits and other measures will not fill the gap, and Athens expects the budget deficit to climb by 24 percent next year. Moderate Minister of National Economy Simitis resigned yesterday, citing his opposition to the government's softened stance on wage increases. [REDACTED]

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Comment: Simitis, whose resignation almost certainly will erode business confidence, probably believes he had lost the ear of Prime Minister Papandreou to leftist rivals, who will continue to press for loosening the economy. The government's budget proposal is almost sure to pass and is bad news for the recently improving Greek economy. Inflation, the current account deficit, and Greece's credit rating are likely to suffer. Papandreou appears to have readopted his election-winning formula of favoring workers at the expense of business, although the tax changes will not significantly affect voters until just before June 1989, the latest date an election can be called. [REDACTED]

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MALAYSIA: Press Controls Proposed

On Tuesday, Kuala Lumpur proposed legislation to strengthen the government's control over Malaysia's press and the distribution of foreign publications. According to the US Embassy, the legislation would give the government power to refuse to issue printing permits, suppress publications for up to six months, and prohibit the importation of publications it considers a threat to public order.

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Comment: The bill will be debated in Parliament on Wednesday and comes one month after a government crackdown on political activists that resulted in 106 detentions and the closure of four newspapers. Prime Minister Mahathir, with majority party backing, will almost certainly be able to enact the legislation, which he views as essential to controlling political dissent and preventing racial violence. Opposition parties, however, most of which represent minority interests, will view it as a further infringement of their democratic rights, and the legislation runs the risk of heightening racial tension.

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VANUATU: Ruling Party Favored in Election

The ruling Vanuaaku Party is likely to increase its majority of Vanuatu's 46 parliamentary seats in Monday's polling—the second national election since independence in 1980. The US Embassy in Papua New Guinea estimates the party, which controls the media and all government agencies, should win 25 to 35 seats. Prime Minister Lini, physically weakened by a stroke in February, is running for reelection but may not seek another term as Prime Minister, according to the Embassy.

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Comment: The election will also determine the relative strength of numerous factions within the Vanuaaku Party. Lini could probably retain the prime-ministership if he chooses; his resignation would fuel a power struggle between his supporters and those of party Secretary General Sope when Parliament convenes on 11 December. Gains by Sope—an opportunist largely responsible for the country's dealings with Libya—would assure continued radicalism in Vanuatu's foreign policy.

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In Brief**Americas**

— Unofficial election results in **Suriname** indicate democratic opposition front won landslide victory . . . coalition appears to have taken 40 of 51 seats in National Assembly, more than two-thirds needed to name president . . . no Bouterse reaction yet. []

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Asia

— **China's** new Defense Minister to be Beijing Military Region Commander Qin Jiwei, 73, according to well-connected Hong Kong journal . . . career soldier, staunch ally of Deng Xiaoping . . . because of age, probably interim choice. []

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— **Thailand's** copyright bill has passed first of three parliamentary votes, according to press . . . split in ruling coalition's Democrat Party possibly irreparable after bitter debate . . . could lead Prime Minister Prem to shuffle cabinet. []

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Terrorism

— **Algerian** dissidents reportedly planning assassination of two US diplomats in **Spain** . . . Algerians, possibly linked to **Iran** or **Libya**, reportedly targeting US officials in Algiers or Western Europe . . . US diplomats on alert. []

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Gorbachev's Shift to the Center

[redacted] the more conservative members of the leadership began this year to grow increasingly uneasy with the scope and accelerating pace of Gorbachev's reform. Their outspokenness—especially over the summer—prompted Gorbachev to back away from some of the more controversial aspects of his program:

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July-August

[redacted]

Ligachev publicly voiced concern about excesses of *glasnost* and democratization, noting new freedoms had dredged up “scum and debris” and warning against any “deviation from socialism in the direction of a market economy, ideological pluralism, and Western democracy.”

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Gorbachev told media chiefs on 14 July to continue open discussion of controversial issues but warned them not to go beyond limits of socialism. He told the officials that some people are just waiting for “you or me to make a mistake . . . to turn it against the entire process of democratization and *glasnost*.”

September

KGB Chairman Chebrikov echoed Ligachev's concerns, warned that Western intelligence services are trying to exploit democratization to “divide the party from the people.”

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October

Gorbachev reaffirmed his commitment to reform while offering reassurances that the party will not be destabilized. In Murmansk, he said that if backtracking is allowed “that will be it; our restructuring front will fall apart.” In Leningrad, he assured listeners that there will be no Chinese “Cultural Revolution” style assault on the party.

November

Gorbachev delivered cautious Revolution Day address and repudiated Yel'tsin the following week. In a speech to senior party officials on the 20th, he warns that “conservatism” and “artificial avant-guardism” both lead to a “dead end.”

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27 November 1987

Top Secret

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Special Analysis**USSR:****Gorbachev on the Defensive**

Under pressure from more conservative members of the Soviet leadership, General Secretary Gorbachev appears to be distancing himself from the radical reform wing of the party for the moment and moving to a more politically tenable middle ground. This tack follows a series of challenges and setbacks that culminated in the recent ouster of his former ally Boris Yel'tsin as Moscow party leader. Gorbachev is still setting the political agenda and appears in no immediate danger of losing his job, but he will have to show his supporters he has not compromised too much in an effort to preserve leadership unity.

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Gorbachev's reform campaign appeared to peak in June at the Central Committee plenum, which backed his plans for comprehensive economic reform and strengthened his control over the party's leadership bodies. Since then, more conservative members of the leadership, led by Gorbachev's de facto deputy, Yegor Ligachev, have signaled growing discomfort with the scope and pace of the General Secretary's reforms.

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Gorbachev has responded with a more cautious approach on certain controversial issues while continuing to promote his reform agenda vigorously. He apparently has tried to avoid further polarizing the leadership and provoking a showdown with Ligachev.

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The Revolution Anniversary and the Yel'tsin Affair

Conflict in the Politburo came to a head on the eve of the 70th anniversary of the Bolshevik Revolution. Gorbachev reportedly had planned to use his anniversary speech to criticize basic features of the repressive, authoritarian system Stalin created in order to legitimize further movement toward reform. But he was evidently forced to water down the most provocative sections of the speech in response to objections from party conservatives. He denounced Stalin's purges but stopped short of questioning the main lines of the dictator's policies.

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The slowing of reform in some areas sparked a major clash at the Central Committee plenum held last month to endorse Gorbachev's anniversary speech; Yel'tsin surprised the leadership by taking the case for radical reform to the generally conservative Central Committee. The resulting debacle was a major setback for Gorbachev.

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The Yel'tsin Affair—What Was at Issue?

Boris Yel'tsin's impetuous behavior probably precipitated his removal, but his conflict with his nemesis Ligachev was rooted in a clash over the limits and character of reform:

- In **cadres policy**, Yel'tsin [] had removed 23 of 33 district party heads. But city officials who felt threatened found a protector in Ligachev, who reportedly blocked personnel changes in the capital. 25X1
- In his attacks on **corruption and elite privileges**, Yel'tsin also collided with Ligachev, who reportedly tried to get Yel'tsin to modify his criticisms of special stores and other perquisites for party members. Those in Moscow who suffered under the anticorruption campaign constituted a major source of opposition to Yel'tsin.
- In the **economic reform** area, Ligachev reportedly interfered with Yel'tsin's attempts to promote joint ventures in Moscow with capitalist firms and to introduce cooperative publishing houses.
- Ligachev evidently thought Yel'tsin was not doing enough about **social discipline**. He is said to have bypassed Yel'tsin to chastise city officials for laxity in combating crime and drug abuse and reportedly criticized Yel'tsin's management of the antialcohol campaign.

Yel'tsin also clashed with Chebrikov over reform.

- Chebrikov reportedly criticized Yel'tsin for seeing too many foreigners and talking too freely.
- Yel'tsin is said to have criticized the KGB, maintaining that it needed to be cut back in size and authority. [] Gorbachev also wants to slash the number of KGB officers and reduce KGB monitoring of citizens in the USSR. 25X1

Yel'tsin's reported criticism of Gorbachev himself was evidently due to frustration that the pace of change had slackened. He is said to have charged Gorbachev with allowing a "triumphal" tone in press discussion of restructuring, even though little had actually been achieved so far, and he reportedly implied that Gorbachev's toleration of a "cult of personality" detracted from the reform effort.

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Top Secret

27 November 1987

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Gorbachev has tried to limit the damage to his reform program and to his own reputation, but his failure to protect Yel'tsin has cost him some credibility with many reform-minded Soviets. Many members of the Moscow intelligentsia—a group that has strongly supported Gorbachev in the past—now feel betrayed. []

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Outlook

Gorbachev still appears to have sufficient support in top leadership bodies to retain power. By adding close ally Aleksandr Yakovlev and two other party secretaries to the Politburo in June and removing Geydar Aliyev last month, Gorbachev probably has ensured a working majority for continuing reform at a measured pace. He is also still dominant in the Secretariat, regardless of the probable departure of his ally Lev Zaykov, Yel'tsin's successor as Moscow party boss. Within both the Politburo and Secretariat, Gorbachev's economic reform initiatives appear to have more leadership support than his push for *glasnost* or "democratization." []

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The General Secretary's support is more tenuous in the Central Committee, where a majority of members attained their positions under Leonid Brezhnev and many feel threatened by Gorbachev's reform policies. They may interpret Yel'tsin's removal as indicating that they can now drag their feet on reform. Gorbachev has sought to prevent such complacency, however, telling senior party officials last week that "attitude toward restructuring" will be the main criterion for holding party office. []

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In the coming months, the pressure will be on Gorbachev to show that his reform agenda will not be compromised or rolled back. His ability to use the media to press his program will be especially important so that opponents of reform and those still sitting on the fence do not conclude that the conservatives have won the day. Gorbachev also needs to make personnel appointments at all levels of the party to augment his support before the special All-Union Party Conference next June, which could be a watershed in his tenure as General Secretary. He evidently wants to use that meeting to change the composition of the Central Committee and gain authoritative endorsement of his most controversial policies. If he fails to regain the initiative by that time, the momentum for reform will diminish and his own political future will become increasingly uncertain. []

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Special Analysis**POLAND:****Referendum Politics**

Despite uneven support from party activists and continuing public cynicism, party-state leader Jaruzelski's outmaneuvering of the opposition and the lack of a better alternative could still produce a narrow, unenthusiastic approval of the Polish Government's reform program in the referendum on Sunday. Many Poles are disgruntled with the government's emphasis on price hikes, but Jaruzelski's cultivation of the Church while keeping Solidarity on the defensive has improved the chances of a favorable outcome. Jaruzelski will continue to seek a positive response, but, in the event of a negative vote, his commitment to reform may lead him to doctor the results.

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The referendum is part of Jaruzelski's campaign to implement comprehensive reforms in a manner persuasive to both a restive work force and doubtful foreign creditors from whom Poland wants new hard currency loans. The vaguely worded referendum questions—one economic, one political—were not published until last month after Jaruzelski—as proof of his commitment to reform—announced a restructuring of the leadership and streamlining of the bureaucracy. The first question seeks public acquiescence in sustaining two or three years of austerity to revitalize the Polish economy; the second calls for support for partial democratization of the political system.

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Warsaw—in response to public criticism—promised more detail on what it had in mind for the economy. However, the price reform proposals for 1988, announced in the Polish press on 14 November, were surprisingly severe—while fuels and residential rents would double or triple. Warsaw claimed subsidies would largely offset these increases, but the harshness of the proposals has reinforced popular belief that reform simply means massive price hikes. Warsaw has done a bad job justifying the need for higher but more realistic prices as a means of stimulating industrial expansion that would in turn result in higher real wages and more consumer goods in the future.

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Jaruzelski's Referendum Strategy

The government's courting of Catholic Church support for the referendum has not elicited an endorsement. Nonetheless, a joint communique by Jaruzelski and Cardinal Glemp in midmonth proclaiming general satisfaction with Church-state relations has been portrayed in some localities as tacit Church support, according to US Consulate reporting from Krakow. Moreover, some of the proposed political reforms appear specifically designed to appeal to moderate Catholics.

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Meanwhile, Jaruzelski has capitalized on the division within the Solidarity leadership over the reforms—which are initiatives that borrow from earlier Solidarity proposals. Solidarity's initial call for a boycott—since rescinded—was hastily conceived and, [redacted] criticized by Glemp; Solidarity's indecisiveness makes the group appear weak and obstructionist. Jaruzelski's eleventh-hour overtures for cooperation appear designed to keep Solidarity leaders on the defensive. [redacted]

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One problem area for Jaruzelski, however, has been persuading some regional party activists to encourage participation in the referendum. According to [redacted] Consulate reporting from Krakow, regional party officials observing local cynicism and apathy have expressed strong doubts of their own; many are fearful that their own incomes will suffer; strong supporters of reform in Chelm fear that a negative response on the referendum will undermine the party. Surprisingly, however, even pessimistic observers estimate participation of 60 to 70 percent of eligible voters on Sunday.

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Prospects

Whatever the outcome of the referendum, Jaruzelski's personal identification with the reform program probably will compel him to announce a favorable response to both questions. A yes vote appears fairly certain on the political question—although the party plenum will not decide on a political reform resolution until next week—but less so on the economic. The regime may not have to tamper with the results, however, if Solidarity-inspired abstentions result in a weak turnout. The lower the overall vote, the fewer undecided voters Jaruzelski must sway to attain a majority of ballots cast. [redacted]

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Attracting the additional votes from among the undecided may not be difficult; despite strong cynicism, many Poles realize reforms are necessary, according to Consulate reporting. Some—young marrieds, for example, facing 20-year waiting lists for apartments—may vote for economic reforms out of desperation with a tired economy. The Polish media are now full of programs on economic reforms in preparation for the referendum. [redacted]

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Jaruzelski probably hopes the results of previously unannounced mock referendum held last Sunday in a small town outside Warsaw will dissuade negative votes. The leadership claims that 62 percent of eligible voters participated in the experiment and that more than 90 percent voted for both referendum questions—figures that seem contrived in view of the lack of participation observed by the Western press at one polling station. [redacted]

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Special Analysis**EASTERN EUROPE-
USSR: Seeking Computer Technology**

Moscow is pressing Eastern Europe harder to provide it with advanced computer technology to speed its modernization program. East Europeans probably will redouble their legal and illegal efforts to acquire Western technology, complicating Western efforts to safeguard sensitive equipment while expanding commercial relations with the USSR and its allies.

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Soviet leader Gorbachev believes that closing the gap with Western computer technology is essential to the success of economic reforms under way in the USSR and several East European countries. The USSR has concluded that previous CEMA efforts to coordinate national programs to overcome the lag in computer technology have been ineffective and that greater direction from Moscow is needed.

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Even if the USSR can, as it claims, begin soon to produce a faster, more powerful computer for export, its computer technology will still be about 10 years behind that of the West. And the current attempt to produce supercomputers by the end of the century will—even if successful—leave Eastern technology at least five years behind.

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Moscow may encourage East-West joint ventures, as with Western Europe's EUREKA program for advanced research. Joint ventures within CEMA have not worked well, and changes in currency exchange and pricing incentives discussed at a recent CEMA meeting in Moscow are not likely to yield major dividends in the near future. One measure of Soviet interest in joint ventures with Western Europe may be Moscow's hints that it would acknowledge West Berlin as an EC member in return for Soviet-East European participation in EUREKA.

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The interest of Western governments in expanding economic ties to Eastern Europe will increase the difficulty of protecting advanced computer technology. Such technology is one of the few commodities for which Moscow and its allies are willing to spend hard currency and for which they are liberalizing their joint-venture laws.

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